



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

Representatives Present During the Inspection:

Company	Jack R. Rogers
OGM	Pete Hess Environmental Scientist III

Inspection Report

Permit Number:	C0410002
Inspection Type:	PARTIAL
Inspection Date:	Thursday, September 01, 2005
Start Date/Time:	9/1/2005 10:00:00 AM
End Date/Time:	9/1/2005 2:00:00 PM
Last Inspection:	Wednesday, August 03, 2005

Inspector: Pete Hess, Environmental Scientist III

Weather: Clear; mild breezes. Cool, 70's F.

InspectionID Report Number: 714

Accepted by: whedberg
9/7/2005

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **SUFCO MINE**

Address: **397 S 800 W, SALINA UT 84654**

County: **SEVIER**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

Current Acreages

24,632.95	Total Permitted
27.36	Total Disturbed
	Phase I
	Phase II
	Phase III

Mineral Ownership

- ☒ Federal
- ☒ State
- ☐ County
- ☐ Fee
- ☐ Other

Types of Operations

- ☒ Underground
- ☐ Surface
- ☐ Loadout
- ☐ Processing
- ☐ Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Ark Land Company is conducting minor coal exploration activities in the Muddy Tract of the Manti LaSal National Forest to determine coal seam thickness and quality relative to the upper and lower Hiawatha coal seams. Coal ownership is by the State of Utah, School and Institutional Trust Lands Administration. The Notice of Intent was approved by the Division and the USFS, effective August 16, 2005.

The Permittee indicated this day that some freezing is occurring in water lines as well as the pump system. Additional measures (such as blowing out the lines with air) is being implemented to eliminate this problem with the drilling process.

Inspector's Signature

Date Friday, September 02, 2005

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

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Inspection Continuation Sheet

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

1. Permits, Change, Transfer, Renewal, Sale

The Permittee had a copy of the approved NOI from the Division, as well as copies of the FS road use permit, and special use permit for this exploration. Other documents and approvals which were necessary included an authorization to drill from SITLA, and approvals from the State Engineers Office for drilling water procurement.

2. Signs and Markers

The ATV trails which are used to access drill sites A and B were marked with red fluorescent plastic tape. Mr. Rogers was removing this tape along the routes as the trails are now well delineated by the ATV wheel tracks.

3. Topsoil

No topsoil was removed in order to set up the drilling rigs at sites A and B. Site B is utilizing the track mounted rig; site A is utilizing a helicopter unit. Both rigs had been leveled using wooden blocks.

7. Coal Mine Waste, Refuse Piles, Impoundments

All drill cuttings and core will be heli-transported to the SUFCO Mine waste rock site for final disposal.

9. Protection of Fish, Wildlife and Related Environmental Issues

The Permittee is utilizing plastic tanks and rubber troughs to contain drillings fluids and make-up water. Berms have been constructed around the various components of the process by placing logs or wooden blocks beneath the brattice material to create the containment. Some of these needed more attention and this was addressed during today's inspection. There were no fluids reporting to the undisturbed soils. It was recommended to Mr. Rogers that the size of the berm's areas be increased such that the crest of the freeboard perimeter be approximately fifteen inches from the outside edge of the component. The berms, as they currently exist, are directly beneath the outside edge of the component. The steel tanks (heli-transport units) which contain diesel fuel are also within brattice lined containments. The size of these temporary impoundments was discussed with Mr. Rogers, as well as Mr. Mark Bunnell on September 2, 2005. The Permittee's contractor (NELCO Construction) has laid the plastic pipe to well sites C, D, and E which are on Federal coal leases. The lines have generally been laid parallel with ATV trails (which have been flagged). There was no damage observed to the native vegetation.

12. Backfilling And Grading

There will be no backfilling or grading required to reclaim these drill sites; both rigs have been set over brattice material on undisturbed soil, with artificial berms established to capture fluids. The vegetation which underlies the brattice will be enhanced with seeding during the reclamation activities. The seed mix for this has been approved by the FS.

13. Revegetation

The vegetation which underlies the brattice material will be enhanced with roughening to eliminate compaction and provide for moisture retention, prior to seeding of these areas with a FS approved seed mix. Wheel tracks created by the ATV transportation process will also be roughened and reseeded during the reclamation process.

16.a Roads: Construction, Maintenance, Surfacing

No roads were constructed as part of this minor coal exploration application.

22. Other

The Permittee's drilling contractor is having a difficult time with both holes A and B. Mr. Rogers indicated that penetration is being hampered by the physical characteristics of the Price River formation. Both drill rods were stuck this day.